



City Council Meeting

January 13, 2009





5 Year Outlook

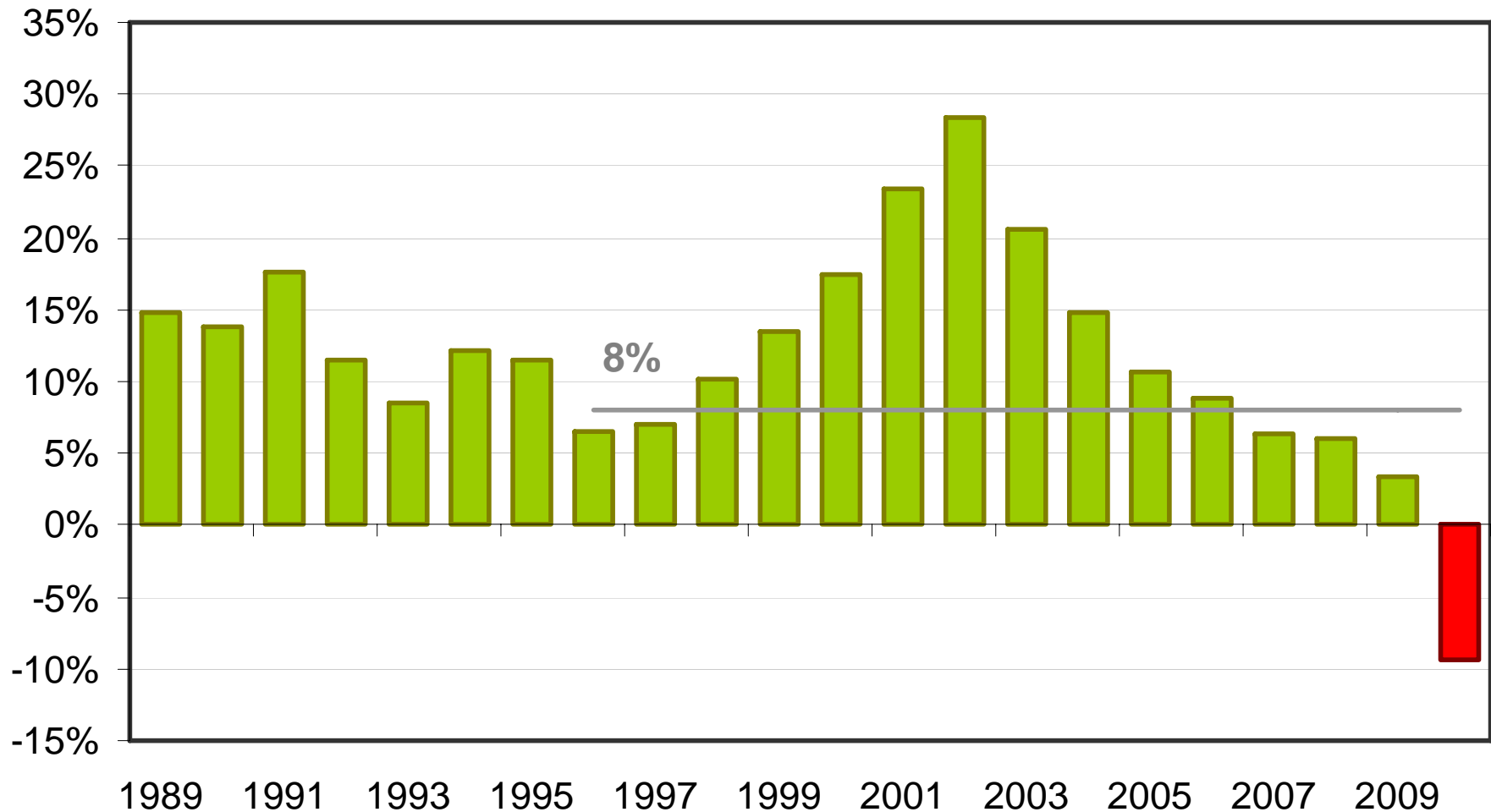
Fiscal Year 2009-10 to FY 2013-14

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Revenues	\$ 137.30	\$ 134.25	\$ 135.04	\$ 137.55	\$ 140.21	\$ 142.88
Expenditures	\$ 141.30	\$ 154.22	\$ 157.90	\$ 161.31	\$ 160.18	\$ 163.63
Deficit	\$ (4.00)	\$ (19.97)	\$ (22.86)	\$ (23.76)	\$ (19.97)	\$ (20.76)

Note: Correcting structural deficit will not add to reserves.



General Fund Reserves



Council 8% Reserve Policy approved in 1996



Current Year Deficit

Fiscal Year 2008-09

General Fund Reserve	(millions)
Reserves - July 1, 2008	\$ 9.3
Projected Revenues & Transfers In	137.3
Expenditures & Transfers Out	(141.3)
Projected Deficit ¹	\$ (4.0)
Projected Fund Balance as of June 30, 2009	\$ 5.3
Percentage of Operating Budget	3.5%

Projected FY 2010 General Fund Deficit	\$ (20.0)
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¹General Fund impact assumes no mid year corrections.



Updated Budget Reduction Plan

- CVEA and WCE salary concessions allow City to restore 30 positions and mitigate service impacts to the community
- Community Services
 - Restores proposed reduction of hours of operation at South and Civic Center library branches
 - Continues operation of Parkway Pool
 - Continues operation of Parkway Gymnasium
 - Restores line staff for Eastlake Library, continued operation of Eastlake Library requires a supervisor and hourly staffing



Updated Budget Reduction Plan

- Maintenance Services
 - Graffiti abatement crew
 - Urban forestry, tree trimming program
 - Striping and Signing, legend crew
 - Park Ranger program
 - ND PES crew (storm water)
 - Custodial Services crew
 - Construction and Repair position
 - Public Works Communications (Electronic Equipment Installer)
 - Staffing for Traffic Engineering and Project Design



Summary of Personnel Reductions by Department

Department	FY 2006-07 Staffing	Previous Reductions	Proposed Reductions	Percent Reduction
Administration	28.00	-2.00	-10.00	-43%
Recreation & Nature Center	43.25	-4.75	-13.50	-42%
Planning & Building	91.50	-33.00	-5.50	-42%
Library	68.75	-18.00	-10.50	-41%
Human Resources	25.50	-5.00	-5.50	-41%
Redevelopment Agency/Housing	18.00	-1.00	-6.00	-39%
Engineering	74.00	-21.50	-5.50	-36%
Finance	33.50	-8.00	-3.00	-33%
ITS	28.00	-4.00	-5.00	-32%
City Attorney	14.00	-2.00	-2.00	-29%
City Clerk	8.50	-1.00	-1.00	-24%
Public Works	260.00	-18.50	-25.00	-17%
Fire	152.00	-17.00	-9.00	-17%
Police	364.50	-25.00	-34.00	-16%
City Council	15.00	-1.00	-1.00	-13%
Animal Shelter	22.25	-2.00	0.00	-9%
CBAG	17.00	3.00	0.00	18%
Total	1263.75	-160.75	-136.50	-24%



Major Service Impacts

Budget Reduction Plan impacts all departments and will diminish the City's ability to provide services



Major Service Impacts

Community Services

- Elimination of diversion programs and activities for middle school at-risk youth.
- Reduction in public service levels at Norman Park Center
- Closure of the Nature Center.
- Reduction or elimination of select programming at recreation centers. Reduced hours of operation.
- Closure of the Eastlake Library.
- Transfer of the STRETCH and DASH program to another vendor.
- Elimination of all library programs.
- Elimination of library public outreach.
- Suspended operation of the Heritage Museum.
- Reduced support for both the library's public computers, internal computers systems, and website.



Major Service Impacts

Maintenance Services

- Reduced preventative traffic signal maintenance program citywide. May result in an increase in malfunctioning traffic signals, thereby causing traffic congestion and delays.
- Elimination of street maintenance positions will result in an overall reduction in street reconstruction staff of 50% (cumulative including fiscal year 2007-08 budget reductions). Backlogs for litter and trash pickup will increase.
- Elimination of park maintenance positions will result in further degradation of service levels at parks.



Major Service Impacts

Public Safety

- Elimination of patrol CSO Program will shift calls to Patrol Officers.
- Elimination of the K-9 program may result in increased risk for regular patrol officers and time delays.
- Elimination of the Street Team and the JUDGE unit will essentially end the City's proactive patrol program and specialized enforcement efforts.
- Reduction of Police Agents from the Investigations Division will affect follow-up investigations and participation in regional task forces.
- Community relations and outreach will be severely impacted by the elimination of the Public Information Officer. There will no longer be any proactive media contact from the Police Department.
- Cross staffing the Urban Search and Rescue vehicle will result in decreased specialized rescue capabilities and coverage. Response times may also increase.
- Cross staffing of Truck 51 may result in increased response times.



Major Service Impacts

Development Services

- Elimination of Advance Planning positions will impact implementation of the Otay Valley Regional Park and the Historic Preservation Program.
- Transfer of one Code Enforcement Officer from the Sign Enforcement Program to the Residential Abandoned Property Program.
- Reduction of building positions in the Development Services Fund will result in increased response times to requests for service.
- Elimination of a planning position in the Development Services Fund will significantly impact the department's efforts in implementing zoning documents.



Major Service Impacts

Administration

- Elimination of the Office of Communications will impact media relations and public information efforts including publications and web content.
- Elimination of support to outside economic development organizations will severely limit the City's ability to compete with other cities for economic development opportunities related to jobs and tax revenue growth.
- Elimination of a webmaster position will negatively impact roll-out of additional e-government applications.
- Reduced staffing in the Purchasing Division will result in delays in reviewing and approving contracts, issuing formal bids, processing requisitions, and processing payments to vendors.
- Reduced staffing in Human Resources Operations will result in delays in recruitments and reduced ability to provide benefit and payroll support.



Recommendation

Council adopt the resolution authorizing the City Manager to implement the budget reduction plan